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2007 - 2008 LEGISLATURE

LRB-4209/1

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2007 ASSEMBLY BILL 939

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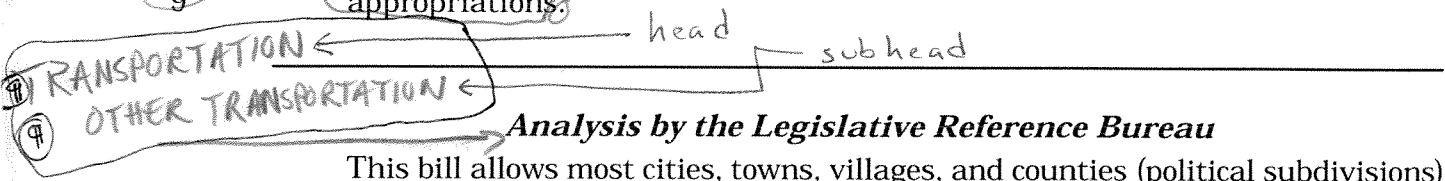
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March 11, 2008 - Introduced by Representative Vos. Referred to Committee on Transportation.

D. NOT Gen Car
(budget bill)

1 AN ACT ~~to renumber~~ 345.05 (1) (a); ~~to amend~~ 32.05 (1) (a), 32.07 (2), 40.02 (28),
 2 59.58 (6) (title) and (a) 1., 66.0301 (1) (a), 67.01 (5), 70.11 (2), 71.26 (1) (b),
 3 chapter 77 (title), subchapter V (title) of chapter 77 [precedes 77.70], 77.71
 4 (intro.), 77.71 (1), 77.71 (2), 77.71 (3), 77.71 (4), 77.73, 77.76 (1), 77.76 (2), 77.76
 5 (4), 77.77, 77.78, 345.05 (2) and 611.11 (4) (a); ~~to repeal and recreate~~ 40.02
 6 (28); and ~~to create~~ 20.566 (1) (gc), 20.835 (4) (gc), 66.1039, 77.54 (9a) (er),
 7 77.708, 77.76 (3r), 77.76 (5) and 345.05 (1) (ag) of the statutes; **relating to:** the
 8 creation of regional transit authorities, requiring a referendum, and making
 9 appropriations;

budget



Analysis by the Legislative Reference Bureau

This bill allows most cities, towns, villages, and counties (political subdivisions) to create regional transit authorities (RTAs), which are public bodies corporate and politic that are separate governmental entities. The governing bodies of two or more political subdivisions may join together (participating political subdivisions) to jointly create an RTA by adopting identical resolutions (authorizing resolutions), except that, in a county that contains a 1st class city, only the county and not any municipality within the county may be a participating political subdivision of the

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RTA. If an RTA includes a county other than a county containing a 1st class city, the RTA must also include at least one municipality within that county. If an RTA has already been formed, additional political subdivisions may join the RTA by adopting authorizing resolutions identical to the original authorizing resolutions if all participating political subdivisions of the RTA also adopt resolutions allowing the additional political subdivisions to join the RTA. An RTA may only be formed if the combined population of all participating political subdivisions of the RTA is at least 50,000. Participating political subdivisions may generally amend or modify their authorizing resolutions, including to allow a new political subdivision to join the RTA, if, after any amendment or modification, the authorizing resolutions of all participating political subdivisions remain identical. Additional requirements apply if the RTA will be authorized to develop, construct, or operate a fixed-route transit system, including that the combined population of all participating political subdivisions of the RTA must be at least 375,000 and that the RTA must include at least five participating political subdivisions having a population of at least 10,000 each. Any RTA authorizing resolution must contain certain information, including all of the following:

1. The name of the RTA and a description or map of its jurisdictional area. "Jurisdictional area" is defined as the geographic area formed by the combined territorial boundaries of all participating political subdivisions except that, for a county other than a county containing a 1st class city, it includes only that portion of the county that is within the territorial boundaries of cities, villages, and towns in the county that are participating political subdivisions.
2. The purpose of the RTA and the functions or services to be provided by the RTA.
3. The powers, duties, and limitations of the RTA.
4. The establishment and organization of a board of directors, in which all powers of the RTA are vested, the voting requirements for action by the board of directors, and the duties of the board of directors.
5. The manner of selection, powers, and duties of the RTA's officers.
6. The method of financing the formation and operation of the RTA.
7. If authorized, the maximum rate of the sales and use tax, not exceeding the statutory limit, that may be imposed by the RTA. The resolution must also include or refer to a transit plan for the RTA and this authorized rate of the sales and use tax may not exceed the rate determined necessary under the transit plan.
8. A procedure by which a participating political subdivision may withdraw from the RTA and provisions for the disposition or distribution of any property, assets, and obligations of the RTA on withdrawal of a participating political subdivision from the RTA or on dissolution of the RTA.
9. Whether the RTA will develop, construct, or operate a fixed-route transit system and, if so, the maximum amount of the sales and use tax rate that may be allocated by the RTA for expenditures related to this fixed-route transit system.
10. Any limitation on, or any approval required prior to, the RTA's exercise of its power of condemnation.

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** to create*
** to join*

In political subdivisions other than most counties, and in counties containing a 1st class city the governing body of the political subdivision must approve by at least a majority vote the authorizing resolution creating or joining an RTA and, upon such approval, the authorizing resolution must be ratified by the electors at a referendum held in the political subdivision at a spring or general election. The referendum question must reference the maximum rate of the sales and use tax that may be imposed by the RTA, as specified in the authorizing resolution. A county board, other than the board of a county containing a 1st class city, must approve an authorizing resolution creating or joining an RTA by a two-thirds vote of the members of the county board and no referendum is required to ratify the county board's resolution. Also, at least 30 days before approving an authorizing resolution, the governing body of a political subdivision must hold a public hearing on the resolution. If a resolution creating or joining an RTA authorizes the RTA to develop, construct, or operate a fixed-route transit system, the referendum question must also reference this fact and include the maximum amount of the sales and use tax rate that may be allocated by the RTA for expenditures related to this fixed-route transit system, as specified in the authorizing resolution. If an authorizing resolution is amended or modified to change the RTA's authorized maximum rate of sales and use tax or to add authority for the RTA to develop, construct, or operate a fixed-route transit system, the amendment or modification must be approved by referendum. A change to the authorized tax rate requires unanimous approval by all participating political subdivisions of the RTA, while the addition of fixed-route transit system authority requires approval by at least five participating political subdivisions of the RTA having a population of at least 10,000 each.

An RTA may do all of the following:

1. Establish or acquire a comprehensive unified local transportation system, which is a transportation system comprised of bus lines and other public transportation facilities generally within the jurisdictional area of the RTA. "Transportation system" is defined to include land, structures, equipment, and other property for transportation of passengers, including by bus, rail, or other form of mass transportation. The RTA may operate this transportation system or provide for its operation by another. The RTA may contract with a public or private organization to provide transportation services in lieu of directly providing these services and may purchase and lease transportation facilities to public or private transit companies. With an exception, an RTA may not directly or by contract provide service outside the RTA's jurisdictional area.
2. Coordinate specialized transportation services for persons who are disabled or aged 60 or older.
3. Own or lease real or personal property.
4. Acquire property by condemnation.
5. Enter upon highways to install, maintain, and operate the RTA's facilities.
6. Impose, by the adoption of a resolution by the board of directors, a sales and use tax in the RTA's participating political subdivisions at a rate of not more than 0.5 percent of the gross receipts or sales price or, if lower, not to exceed the maximum rate established by the authorizing resolution. Except with respect to a county containing

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a 1st class city, this sales and use tax may not be imposed in any municipality within a county that is a participating political subdivision of an RTA unless the municipality is also a participating political subdivision of the RTA. In a county that is a participating political subdivision and that contains a 1st class city, the tax is imposed countywide.

7. Incur debts and obligations. An RTA may issue tax-exempt revenue bonds, secured by a pledge of any income or revenues from any operations or other source of moneys for the RTA. The bonds of an RTA are not a debt of its participating political subdivisions and neither the participating political subdivisions nor the state are liable for the payment of the bonds. Bond proceeds, except those derived from refunding bonds, may be used only for capital expenditures related to the acquisition of transit system equipment having a useful life of at least five years.

8. Set fees and charges for functions, facilities, and services provided by the RTA.

9. Adopt bylaws and rules to carry out the powers and purposes of the RTA.

10. Sue and be sued in its own name.

11. Employ agents, consultants, and employees, engage professional services, and purchase furniture, supplies, and materials reasonably necessary to perform its duties and exercise its powers.

12. Invest funds not required for immediate disbursement.

13. Do and perform any authorized acts by means of an agent or by contracts with any person.

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→ 15, 14. Exercise any other powers that the board of directors considers necessary and convenient to effectuate the purposes of the RTA, including providing for passenger safety.

The board of directors of an RTA must annually prepare a budget for the RTA. Rates and other charges received by the RTA must be used only for the general expenses and capital expenditures of the RTA, to pay interest, amortization, and retirement charges on the RTA's revenue bonds, and for specific purposes of the RTA and may not be transferred to any political subdivision. The RTA must maintain an accounting system in accordance with generally accepted accounting principles and must have its financial statements and debt covenants audited annually by an independent certified public accountant.

An RTA that acquires a transportation system must assume all of the employer's obligations under any contract between the employees and management of the system to the extent allowed by law. An RTA that acquires, constructs, or operates a transportation system must negotiate an agreement with the representative of the labor organization that covers the employees affected by the acquisition, construction, or operation to protect the interests of employees affected, and that agreement must include specified provisions. Employees of the RTA are participatory employees under the Wisconsin Retirement System (WRS) if the RTA elects to join the WRS.

* A participating political subdivision may withdraw from an RTA if: (1) the governing body of the political subdivision adopts a resolution requesting withdrawal from the RTA and the resolution is approved by referendum; (2) the

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political subdivision has paid, or made provision for the payment of, all obligations of the political subdivision to the RTA; and (3) any authorized sales and use tax that is levied by the RTA within the political subdivision continues to be levied for the period of time for which the tax is authorized. If a political subdivision withdraws from an RTA, the political subdivision continues to receive transportation services from the RTA for so long as the sales and use tax continues to be levied in the political subdivision.

An RTA may be dissolved if a majority of the participating political subdivisions adopt resolutions recommending the dissolution of the RTA. Dissolution of an RTA may not occur until adequate provision has been made for payment of the RTA's outstanding indebtedness, including outstanding revenue bonds. Dissolution of an RTA, and withdrawal of a political subdivision from an RTA, is subject to provisions of the authorizing resolutions relating to, respectively, dissolution or withdrawal.

A participating political subdivision may make an initial contribution of funds to an RTA at the time the RTA is formed or at the time the political subdivision joins an existing RTA. Thereafter, the political subdivision may not use any locally generated revenue, including property taxes or sales taxes other than those authorized for the RTA under its authorizing resolution, for purposes of funding any transit system, including to transfer additional funds to the RTA. However, this prohibition does not apply to transit or program aids that may be available to a participating political subdivision from the federal government or the state Department of Transportation for transfer to, use by, or the benefit of the RTA.

Current law provides limited immunity for cities, villages, towns, counties, and other political corporations and governmental subdivisions, and for officers, officials, agents, and employees of these entities, for acts done in an official capacity or in the course of employment. Claimants must generally follow a specified claims procedure and liability for damages is generally limited to \$50,000 except that no liability may be imposed for performance of a discretionary duty or for punitive damages. If a person suffers damage resulting from the negligent operation of a motor vehicle owned and operated by a county, city, village, town, school district, sewer district, or other political subdivision of the state in the course of its business, the person may file a claim for damages following this claims procedure and the amount of damages recoverable is limited to \$250,000. This bill specifies that this provision related to claims and liability for negligent operation of a motor vehicle by a political subdivision applies to an RTA.

The bill also allows RTAs to participate in organizing municipal insurance mutuals to provide insurance and risk management services.

For further information see the **local** fiscal estimate, which will be printed as an appendix to this bill.

Insert
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The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

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SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

	2007-08	2008-09
20.566 Revenue, department of		
(1) COLLECTION OF TAXES		
(gc) Administration of transit authority taxes	PR A -0-	-0-

SECTION 2. 20.566 (1) (gc) of the statutes is created to read:

20.566 (1) (gc) *Administration of transit authority taxes.* From the moneys received from the appropriation account under s. 20.835 (4) (gc), the amounts in the schedule for the purpose of administering the transit authority taxes imposed under s. 77.708. Notwithstanding s. 20.001 (3) (a), at the end of the fiscal year the unencumbered balance in this appropriation account shall be transferred to the appropriation account under s. 20.835 (4) (gc).

SECTION 3. 20.835 (4) (gc) of the statutes is created to read:

20.835 (4) (gc) *Transit authority taxes.* All moneys received from the taxes imposed under s. 77.708, and from the appropriation account under s. 20.566 (1) (gc), for the purpose of distribution to the transit authorities that adopt a resolution imposing taxes under subch. V of ch. 77, except that 1.5 percent of those tax revenues collected under subch. V of ch. 77 shall be credited to the appropriation account under s. 20.566 (1) (gc).

SECTION 4. 32.05 (1) (a) of the statutes is amended to read:

32.05 (1) (a) Except as provided under par. (b), a county board of supervisors or a county highway committee when so authorized by the county board of

ASSEMBLY BILL 939

1 supervisors, a city council, a village board, a town board, a sewerage commission
2 governing a metropolitan sewerage district created by ss. 200.05 or 200.21 to 200.65,
3 the secretary of transportation, a commission created by contract under s. 66.0301,
4 a joint local water authority created by contract under s. 66.0823, a transit authority
5 created under s. 66.1039, a housing authority under ss. 66.1201 to 66.1211, a local
6 exposition district created under subch. II of ch. 229, a local cultural arts district
7 created under subch. V of ch. 229, a redevelopment authority under s. 66.1333 or a
8 community development authority under s. 66.1335 shall make an order providing
9 for the laying out, relocation and improvement of the public highway, street, alley,
10 storm and sanitary sewers, watercourses, water transmission and distribution
11 facilities, mass transit facilities, airport, or other transportation facilities, gas or
12 leachate extraction systems to remedy environmental pollution from a solid waste
13 disposal facility, housing project, redevelopment project, cultural arts facilities,
14 exposition center or exposition center facilities which shall be known as the
15 relocation order. This order shall include a map or plat showing the old and new
16 locations and the lands and interests required. A copy of the order shall, within 20
17 days after its issue, be filed with the county clerk of the county wherein the lands are
18 located or, in lieu of filing a copy of the order, a plat may be filed or recorded in
19 accordance with s. 84.095.

20 **SECTION 5.** 32.07 (2) of the statutes is amended to read:

21 32.07 (2) The petitioner shall determine necessity if application is by the state
22 or any commission, department, board or other branch of state government or by a
23 city, village, town, county, school district, board, commission, public officer,
24 commission created by contract under s. 66.0301, joint local water authority under
25 s. 66.0823, transit authority created under s. 66.1039, redevelopment authority

ASSEMBLY BILL 939**SECTION 5**

1 created under s. 66.1333, local exposition district created under subch. II of ch. 229,
2 local cultural arts district created under subch. V of ch. 229, housing authority
3 created under ss. 66.1201 to 66.1211 or for the right-of-way of a railroad up to 100
4 feet in width, for a telegraph, telephone or other electric line, for the right-of-way
5 for a gas pipeline, main or service or for easements for the construction of any
6 elevated structure or subway for railroad purposes.

7 **SECTION 6.** 40.02 (28) of the statutes, as affected by 2007 Wisconsin Act 20, is
8 amended to read:

9 40.02 (28) "Employer" means the state, including each state agency, any
10 county, city, village, town, school district, other governmental unit or
11 instrumentality of 2 or more units of government now existing or hereafter created
12 within the state, any federated public library system established under s. 43.19
13 whose territory lies within a single county with a population of 500,000 or more, a
14 local exposition district created under subch. II of ch. 229, a transit authority created
15 under s. 66.1039, and a long-term care district created under s. 46.2895, except as
16 provided under ss. 40.51 (7) and 40.61 (3) and subch. X. "Employer" does not include
17 a local cultural arts district created under subch. V of ch. 229. Each employer shall
18 be a separate legal jurisdiction for OASDHI purposes.

19 **SECTION 7.** 40.02 (28) of the statutes, as affected by 1999 Wisconsin Act 65 and
20 2007 Wisconsin Acts 20 and 2009 Wisconsin Act (this act), is repealed and recreated to read:

21 40.02 (28) "Employer" means the state, including each state agency, any
22 county, city, village, town, school district, other governmental unit or
23 instrumentality of 2 or more units of government now existing or hereafter created
24 within the state, any federated public library system established under s. 43.19
25 whose territory lies within a single county with a population of 500,000 or more, a

section 756

section 757

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1 local exposition district created under subch. II of ch. 229, a transit authority created
2 under s. 66.1039, and a long-term care district created under s. 46.2895, except as
3 provided under ss. 40.51 (7) and 40.61 (3). “Employer” does not include a local
4 cultural arts district created under subch. V of ch. 229. Each employer shall be a
5 separate legal jurisdiction for OASDHI purposes.

6 **SECTION 8.** 59.58 (6) (title) and (a) 1. of the statutes are amended to read:

7 59.58 **(6)** (title) ~~REGIONAL~~ KENOSHA-RACINE-MILWAUKEE ~~REGIONAL~~ TRANSIT
8 AUTHORITY.

9 (a) 1. “Authority” means the Kenosha-Racine-Milwaukee regional transit
10 authority.

11 **SECTION 9.** 66.0301 (1) (a) of the statutes, as affected by 2007 Wisconsin Acts

12 20 and 43, is amended to read:

13 66.0301 **(1)** (a) Except as provided in pars. (b) and (c), in this section
14 “municipality” means the state or any department or agency thereof, or any city,
15 village, town, county, school district, public library system, public inland lake
16 protection and rehabilitation district, sanitary district, farm drainage district,
17 metropolitan sewerage district, sewer utility district, solid waste management
18 system created under s. 59.70 (2), local exposition district created under subch. II of
19 ch. 229, local professional baseball park district created under subch. III of ch. 229,
20 local professional football stadium district created under subch. IV of ch. 229, a local
21 cultural arts district created under subch. V of ch. 229, transit authority created
22 under s. 66.1039, long-term care district under s. 46.2895, water utility district,
23 mosquito control district, municipal electric company, county or city transit
24 commission, commission created by contract under this section, taxation district,
25 regional planning commission, or city-county health department.

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9-10

ASSEMBLY BILL 939**SECTION 10**

SECTION 10. 66.1039 of the statutes is created to read:

66.1039 Transit authorities. (1) DEFINITIONS. In this section:

(a) "Authority" means a transit authority created under this section.

(b) "Bonds" means any bonds, interim certificates, notes, debentures, or other obligations of an authority issued under this section.

(c) "Common carrier" means any of the following:

1. A common motor carrier, as defined in s. 194.01 (1).

2. A contract motor carrier, as defined in s. 194.01 (2).

3. A railroad subject to ch. 195, as described in s. 195.02 (1) and (3).

4. A water carrier, as defined in s. 195.02 (5).

(d) "Comprehensive unified local transportation system" means a transportation system that is comprised of motor bus lines and any other local public transportation facilities, the major portion of which is located within, or the major portion of the service of which is supplied to the inhabitants of, the jurisdictional area of the authority.

(e) "Fixed-route transit system" means a mass transit system providing passenger rail, commuter rail, light rail, or trolley service or otherwise providing mass transit service on a fixed guideway or dedicated right-of-way, but does not include bus service in dedicated highway lanes.

(f) 1. Except as provided in subd. 2., "jurisdictional area" means the geographic area formed by the combined territorial boundaries of all participating political subdivisions.

2. For a participating political subdivision that is a county, "jurisdictional area" includes only that portion of the county that is within the territorial boundaries of municipalities in the county that are also participating political subdivisions except

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1 that, for a county containing a 1st class city, "jurisdictional area" includes the entire
2 geographic area formed by the territorial boundaries of that county.

x 3 (f) (g) "Municipality" means any city, village, or town except a city, village, or town
4 located in a county containing a 1st class city.

x 5 (g) (h) "Participating political subdivision" means a political subdivision that has
6 adopted a resolution creating an authority or joining an established authority under
7 this section. *to create* *to join*

x 8 (h) (i) "Political subdivision" means a municipality or county.

x 9 (i) (j) "Transportation system" means all land, shops, structures, equipment,
10 property, franchises, and rights of whatever nature required for transportation of
11 passengers within the jurisdictional area of the authority and, only to the extent
12 specifically authorized under this section, outside the jurisdictional area of the
13 authority. "Transportation system" includes elevated railroads, subways,
14 underground railroads, motor vehicles, motor buses, and any combination thereof,
15 and any other form of mass transportation, but does not include transportation
16 excluded from the definition of "common motor carrier" under s. 194.01 (1) or charter
17 or contract operations to, from, or between points that are outside the jurisdictional
18 area of the authority.

19 (2) CREATION OF TRANSIT AUTHORITIES. (a) Subject to pars. (g) to (i), the governing
20 body of a political subdivision may, by resolution, declare the need for an authority
21 to function in the political subdivision and may join together with one or more other
22 political subdivisions to jointly create, by adopting identical resolutions, a public
23 body corporate and politic in these political subdivisions. This public body shall be
24 a separate governmental entity and shall be known as a "regional transit authority."

ASSEMBLY BILL 939**SECTION 10**

1 The authority may transact business and exercise any powers granted to it under
2 this section.

3 (b) Subject to par. (g) and (i), if an authority has been created under par. (a),
4 a political subdivision may join this authority if the governing body of this political
5 subdivision adopts a resolution identical to the resolutions creating the authority
6 and all participating political subdivisions of the authority adopt resolutions
7 allowing this political subdivision to join the authority.

8 (c) Any resolution under pars. (a) and (b) creating or joining an authority shall
9 specify all of the following:

10 1. The name of the authority and a description or map of its jurisdictional area.

11 2. The purpose of the authority and the functions or services to be provided by
12 the authority.

13 3. The powers, duties, and limitations of the authority.

14 4. The establishment and organization of a board of directors, in which all
15 powers of the authority shall be vested. The resolution may permit the board of
16 directors to create an executive committee of the board of directors to assist the board
17 of directors in exercising its powers and duties, but these powers and duties may only
18 be carried out by action of the board in compliance with subd. 7.

19 5. The number of directors, the manner of their appointment, the terms of their
20 office, their compensation, if any, and the procedure for filling vacancies on the board
21 of directors.

22 6. The manner of selection of the officers of the authority and their powers,
23 duties, and limitations.

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SECTION 10

A vote representing

1 7. The voting requirements for action by the board of directors. *At least a*
2 majority *total number of* vote of the authorized directors *is necessary for any action to be taken by*
3 the board of directors. *exists*
regardless of whether any vacancy

4 8. The duties of the board of directors, including the obligation to comply with
5 this section and the laws of this state and with the terms of the resolutions adopted
6 under this section.

7 9. Subject to sub. (14), the method of financing the formation and operation of
8 the authority.

9 10. *If taxes may be imposed by the authority under sub. (3) (s),* the maximum
10 rate of the taxes that may be imposed by the authority under sub. (3) (s), not to exceed
11 the maximum rate specified in s. 77.708 (1). The rate of the taxes that may be
12 imposed by the authority under sub. (3) (s) shall be uniform among the participating
13 political subdivisions of the authority. *The resolution shall also include a transit*
14 *plan, or reference a transit plan set forth in detail elsewhere, for the authority for at*
15 *least the following 5-year period, and the maximum rate of the taxes specified in the*
16 *resolution as required under this subdivision may not exceed the rate determined*
17 *necessary under the transit plan.*

18 11. Subject to sub. (12), a procedure by which a participating political
19 subdivision may withdraw from the authority and provisions for the disposition,
20 division, or distribution of any property, assets, and obligations of the authority on
21 withdrawal of a participating political subdivision or on dissolution of the authority.

22 12. Whether the authority will develop, construct, or operate a fixed-route
23 transit system and, if so, the maximum amount of the tax rate authorized under
24 subd. 10. that may be allocated by the authority for expenditures related to this
25 fixed-route transit system.

ASSEMBLY BILL 939**SECTION 10**

1 13. Any limitation on, or any approval required prior to, the authority's exercise
2 of its power of condemnation.

3 (d) 1. Subject to par. (e), any resolution of a county board under pars. (a) and
4 (b), except by the board of a county containing a 1st class city, shall be approved by
5 a two-thirds vote of the members of the county board. Except for a county containing
6 a 1st class city, a county is not subject to subd. 2.

7 2. Except as provided in subd. 1. and subject to par. (e), any resolution under
8 pars. (a) and (b) shall be approved by at least a majority vote of the members of the
9 governing body of the political subdivision and, upon such approval, shall be ratified
10 by the electors at a referendum held in the political subdivision. The referendum
11 shall be submitted to the electors at the next spring or general election, if the election
12 is more than 6 weeks after the date the political subdivision adopted the resolution
13 or, if there are 6 weeks or less before the election, at the next election thereafter. The
14 governing body of the political subdivision may not order a special election for the
15 purpose of voting on the referendum. The referendum question on the referendum
16 ballot shall include the maximum tax rate under par. (c) 10. specified in the
17 resolution approved by the governing body of the political subdivision. If the
18 resolution creating or joining an authority is approved in the referendum, the
19 resolution may take effect. If the resolution creating or joining an authority is not
20 approved in the referendum, the resolution may not take effect.

21 (e) At least 30 days before approving a resolution under par. (a) or (b), the
22 governing body of a political subdivision shall hold a public hearing on the resolution.
23 Notice of the hearing shall be published as a class 3 notice under ch. 985.

24 (f) A political subdivision may not be a participating political subdivision in
25 more than one authority.

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1 (g) If an authority created under par. (a) includes as a participating political
2 subdivision a county, the authority shall also include at least one municipality within
3 that county. This paragraph does not apply to a county containing a 1st class city.

4 (h) An authority may not be created under par. (a) unless the combined
5 population of all participating political subdivisions of the authority is at least
6 50,000. In calculating the combined population under this paragraph, the
7 population of a county may not be considered unless the county contains a 1st class
8 city.

9 (i) An authority may not develop, construct, or operate a fixed-route transit
10 system unless all of the following apply:

11 1. Any resolution under par. (a) or (b) authorizes the authority to develop,
12 construct, or operate a fixed-route transit system and each requirement under par.
13 (c) 12. is satisfied.

14 2. The referendum question specified in par. (d) 2. is a single question and, in
15 addition to including the information specified in par. (d) 2., states that the authority
16 is authorized to develop, construct, or operate a fixed-route transit system and
17 includes the maximum amount of the authorized tax rate that may be allocated by
18 the authority for expenditures related to this fixed-route transit system, as specified
19 in the resolution approved by the governing body of the political subdivision.

20 3. Notwithstanding par. (h), the combined population of all participating
21 political subdivisions of the authority is at least 375,000. In calculating the combined
22 population under this subdivision, the population of a county may not be considered
23 unless the county contains a 1st class city.

24 4. The authority includes at least 5 participating political subdivisions having
25 a population of at least 10,000 each.

ASSEMBLY BILL 939

SECTION 10

Any such amendment or modification shall be approved by at least a majority vote of the members of the governing body of the participating political subdivision.

(g) (j) 1. Subject to subd. 2., if an authority has been created under this subsection, the participating political subdivisions of the authority may amend or modify their original resolutions ^{g to create} ~~creating~~ or ^{g to join} ~~joining~~ the authority if, after any amendment or modification, the resolutions of all participating political subdivisions of the authority remain identical and continue to satisfy the requirements under this section for the creation of an authority, except the requirement under par. (e). Any such amendment or modification of the original resolutions ^{to create} ~~creating~~ or ^{to join} ~~joining~~ the authority does not create a new authority unless specifically provided otherwise in the amendment or modification, even if the amendment or modification is undertaken for the purpose of including additional participating political subdivisions in the authority. No resolution may be amended or modified unless, at the time of the amendment or modification, the requirements under par. (h) and, if applicable, under par. (i) 3. and 4., continue to be satisfied.

2. The amendment or modification under subd. 1. of the original resolutions creating or joining an authority is not subject to ratification by referendum under par. (d) 2. unless the amendment or modification includes any of the following:

a. A change to the tax rate specified in par. (c) 10. The amendment or modification under this subd. 2. a. may not take effect unless it is approved in the referendum in each participating political subdivision of the authority.

b. If the original resolutions creating or joining the authority did not include the authorization under par. (i) 1., the addition of authorization to develop, construct, or operate a fixed-route transit system under par. (i) 1. The amendment or modification under this subd. 2. b. may not take effect unless the requirements under par. (i) are satisfied and the amendment or modification is approved in the

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to the extent authorized in the resolutions that created the authority

1 referendum in at least 5 participating political subdivisions of the authority having
2 a population of at least 10,000 each.

3 (3) POWERS. Notwithstanding s. 59.84 (2) and any other provision of this
4 chapter or ch. 59 or 85, but subject to sub. (2) (c) 13. and (i), an authority may do all
5 of the following:

6 (a) Establish, maintain, and operate a comprehensive unified local
7 transportation system primarily for the transportation of persons.

8 (b) Acquire a comprehensive unified local transportation system by purchase,
9 condemnation under s. 32.05, or otherwise and provide funds for the operation and
10 maintenance of the system. Upon the acquisition of a comprehensive unified local
11 transportation system, the authority may:

12 1. Operate and maintain it or lease it to an operator or contract for its use by
13 an operator.

14 2. Contract for superintendence of the system with an organization that has
15 personnel with the requisite experience and skill.

16 3. Delegate responsibility for the operation and maintenance of the system to
17 an appropriate administrative officer, board, or commission of a participating
18 political subdivision.

19 4. Maintain and improve railroad rights-of-way and improvements on these
20 rights-of-way for future use.

21 (c) Contract with a public or private organization to provide transportation
22 services in lieu of directly providing these services.

23 (d) Purchase and lease transportation facilities to public or private transit
24 companies that operate within and outside the jurisdictional area.

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1 (e) Apply for federal aids to purchase transportation facilities considered
2 essential for the authority's operation.

3 (f) Coordinate specialized transportation services, as defined in s. 85.21 (2) (g),
4 for residents who reside within the jurisdictional area and who are disabled or aged
5 60 or older, including services funded under 42 USC 3001 to 3057n, 42 USC 5001, and
6 42 USC 5011 (b), under ss. 49.43 to 49.499 and 85.21, and under other public funds
7 administered by the county. An authority may contract with a county that is a
8 participating political subdivision for the authority to provide specialized
9 transportation services, but an authority is not an eligible applicant under s. 85.21
10 (2) (e) and may not receive payments directly from the department of transportation
11 under s. 85.21.

12 (g) Acquire, own, hold, use, lease as lessor or lessee, sell or otherwise dispose
13 of, mortgage, pledge, or grant a security interest in any real or personal property or
14 service.

15 (h) Acquire property by condemnation using the procedure under s. 32.05 for
16 the purposes set forth in this section.

17 (i) Enter upon any state, county, or municipal street, road, or alley, or any public
18 highway for the purpose of installing, maintaining, and operating the authority's
19 facilities. Whenever the work is to be done in a state, county, or municipal highway,
20 street, road, or alley, the public authority having control thereof shall be duly
21 notified, and the highway, street, road, or alley shall be restored to as good a condition
22 as existed before the commencement of the work with all costs incident to the work
23 to be borne by the authority.

24 (j) Fix, maintain, and revise fees, rates, rents, and charges for functions,
25 facilities, and services provided by the authority.

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1 (k) Make, and from time to time amend and repeal, bylaws, rules, and
2 regulations to carry into effect the powers and purposes of the authority.

3 (L) Sue and be sued in its own name.

4 (m) Have and use a corporate seal.

5 (n) Employ agents, consultants, and employees, engage professional services,
6 and purchase such furniture, stationery, and other supplies and materials as are
7 reasonably necessary to perform its duties and exercise its powers.

8 (o) Incur debts, liabilities, or obligations including the borrowing of money and
9 the issuance of bonds under subs. (6) and (9).

10 (p) Invest any funds held in reserve or sinking funds, or any funds not required
11 for immediate disbursement, including the proceeds from the sale of any bonds, in
12 such obligations, securities, and other investments as the authority deems proper in
13 accordance with s. 66.0603 (1m).

14 (q) Do and perform any acts and things authorized by this section under,
15 through, or by means of an agent or by contracts with any person.

16 (r) Exercise any other powers that the board of directors considers necessary
17 and convenient to effectuate the purposes of the authority, including providing for
18 passenger safety.

19 (s) Impose, by the adoption of a resolution by the board of directors, the taxes
20 under subch. V of ch. 77 in the authority's participating political subdivisions. With
21 respect to any county, other than a county containing a 1st class city, that is a
22 participating political subdivision, the taxes authorized under this paragraph may
23 not be imposed in any municipality within the county that is not a participating
24 political subdivision of the authority. If an authority adopts a resolution to impose
25 the taxes, it shall deliver a certified copy of the resolution to the department of

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1 revenue at least 120 days before its effective date. The authority may, by adoption
2 of a resolution by the board of directors, repeal the imposition of taxes under subch.
3 V of ch. 77 and shall deliver a certified copy of the repeal resolution to the department
4 of revenue at least 120 days before its effective date.

5 (4) LIMITATIONS ON AUTHORITY POWERS. (a) Notwithstanding sub. (3) (a), (b), (c),
6 (d), (q), and (r), no authority, and no public or private organization with which an
7 authority has contracted for services, may provide service outside the jurisdictional
8 area of the authority unless the authority receives financial support for the service
9 under a contract with a public or other private organization for the service.

10 (b) Whenever the proposed operations of an authority would be competitive
11 with the operations of a common carrier in existence prior to the time the authority
12 commences operations, the authority shall coordinate proposed operations with the
13 common carrier to eliminate adverse financial impact for the carrier. This
14 coordination may include route overlapping, transfers, transfer points, schedule
15 coordination, joint use of facilities, lease of route service, and acquisition of route and
16 corollary equipment. If this coordination does not result in mutual agreement, the
17 proposals of the authority and the common carrier shall be submitted to the
18 department of transportation for arbitration.

19 (c) In exercising its powers under sub. (3), an authority shall consider any plan
20 of a metropolitan planning organization under 23 USC 134 that covers any portion
21 of the authority's jurisdictional area.

22 (5) AUTHORITY OBLIGATIONS TO EMPLOYEES OF COUNTY MASS TRANSPORTATION
23 SYSTEMS. (a) An authority acquiring a comprehensive unified local transportation
24 system shall assume all of the employer's obligations under any contract between the
25 employees and management of the system to the extent allowed by law.

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(b) An authority acquiring, constructing, controlling, or operating a comprehensive unified local transportation system shall negotiate an agreement with the representative of the labor organization, notwithstanding s. 111.70 (2), (3), and (6), that covers the employees affected by the acquisition, construction, control, or operation to protect the interests of employees affected. This agreement shall include all of the provisions identified in s. 59.58 (4) (b) 1. to 8. and may include provisions identified in s. 59.58 (4) (c). An affected employee has all the rights and the same status under subch. IV of ch. 111 that he or she enjoyed immediately before the acquisition, construction, control, or operation and may not be required to serve a probationary period if he or she attained permanent status before the acquisition, construction, control, or operation.

(c) In all negotiations under this subsection, a senior executive officer of the authority shall be a member of the authority's negotiating body.

(6) BONDS; GENERALLY. (a) An authority may issue bonds, the principal and interest on which are payable exclusively from all or a portion of any revenues received by the authority. The authority may secure its bonds by a pledge of any income or revenues from any operations, rent, aids, grants, subsidies, contributions, or other source of moneys whatsoever.

(b) An authority may issue bonds in such principal amounts as the authority deems necessary. Except with respect to refunding bonds under sub. (9), bond proceeds may be used only for capital expenditures related to the acquisition of transit system equipment having a useful life of at least 5 years.

(c) 1. Neither the members of the board of directors of an authority nor any person executing the bonds is personally liable on the bonds by reason of the issuance of the bonds.

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1 2. The bonds of an authority are not a debt of the participating political
2 subdivisions. Neither the participating political subdivisions nor the state are liable
3 for the payment of the bonds. The bonds of any authority shall be payable only out
4 of funds or properties of the authority. The bonds of the authority shall state the
5 restrictions contained in this paragraph on the face of the bonds.

6 **(7) ISSUANCE OF BONDS.** (a) Bonds of an authority shall be authorized by
7 resolution of the board of directors. The bonds may be issued under such a resolution
8 or under a trust indenture or other security instrument. The bonds may be issued
9 in one or more series and may be in the form of coupon bonds or registered bonds
10 under s. 67.09. The bonds shall bear the dates, mature at the times, bear interest
11 at the rates, be in the denominations, have the rank or priority, be executed in the
12 manner, be payable in the medium of payment, ^{and} at the places, and be subject to the
13 terms of redemption, with or without premium, as the resolution, trust indenture,
14 or other security instrument provides. Bonds of an authority are issued for an
15 essential public and governmental purpose and are public instrumentalities and,
16 together with interest and income, are exempt from taxes.

17 (b) The authority may sell the bonds at public or private sales at the price or
18 prices determined by the authority.

19 (c) If an officer whose signatures appear on any bonds or coupons ceases to be
20 an officer of the authority before the delivery of such obligations, the officer's
21 signature shall, nevertheless, be valid for all purposes as if the officer had remained
22 in office until delivery of the bonds. ^{the bonds or coupons}

23 **(8) COVENANTS.** An authority may do all of the following in connection with the
24 issuance of bonds:

25 (a) Covenant as to the use of any or all of its property, real or personal.

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1 (b) Redeem the bonds, or covenant for the redemption of the bonds, and provide
2 the terms and conditions of the redemption.

3 (c) Covenant as to charge fees, rates, rents, and charges sufficient to meet
4 operating and maintenance expenses, renewals, and replacements of any
5 transportation system, principal and debt service on bonds, creation and
6 maintenance of any reserves required by a bond resolution, trust indenture, or other
7 security instrument and to provide for any margins or coverages over and above debt
8 service on the bonds that the board of directors considers desirable for the
9 marketability of the bonds.

10 (d) Covenant as to the events of default on the bonds and the terms and
11 conditions upon which the bonds shall become or may be declared due before
12 maturity, as to the terms and conditions upon which this declaration and its
13 consequences may be waived, and as to the consequences of default and the remedies
14 of bondholders.

15 (e) Covenant as to the mortgage or pledge of, or the grant of a security interest
16 in, any real or personal property and all or any part of the revenues of the authority
17 to secure the payment of bonds, subject to any agreements with the bondholders.

18 (f) Covenant as to the custody, collection, securing, investment, and payment
19 of any revenues, assets, moneys, funds, or property with respect to which the
20 authority may have any rights or interest.

21 (g) Subject to sub. (6) (b), covenant as to the purposes to which the proceeds
22 from the sale of any bonds may be applied, and as to the pledge of such proceeds to
23 secure the payment of the bonds.

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1 (h) Covenant as to limitations on the issuance of any additional bonds, the
2 terms upon which additional bonds may be issued and secured, and the refunding
3 of outstanding bonds.

4 (i) Covenant as to the rank or priority of any bonds with respect to any lien or
5 security.

6 (j) Covenant as to the procedure by which the terms of any contract with or for
7 the benefit of the holders of bonds may be amended or abrogated, the amount of
8 bonds, the holders of which must consent thereto, and the manner in which such
9 consent may be given.

10 (k) Covenant as to the custody and safekeeping of any of its properties or
11 investments, the insurance to be carried on the property or investments, and the use
12 and disposition of insurance proceeds.

13 (L) Covenant as to the vesting in one or more trustees, within or outside the
14 state, of those properties, rights, powers, and duties in trust as the authority
15 determines.

16 (m) Covenant as to the appointing of, and providing for the duties and
17 obligations of, one or more paying agent or other fiduciaries within or outside the
18 state.

19 (n) Make all other covenants and do any act that may be necessary or
20 convenient or desirable in order to secure its bonds, or in the absolute discretion of
21 the authority, tend to make the bonds more marketable.

22 (o) Execute all instruments necessary or convenient in the exercise of the
23 powers granted under this section or in the performance of covenants or duties,
24 which may contain such covenants and provisions as a purchaser of the bonds of the
25 authority may reasonably require.

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1 **(9) REFUNDING BONDS.** An authority may issue refunding bonds for the purpose
2 of paying any of its bonds at or prior to maturity or upon acceleration or redemption.
3 An authority may issue refunding bonds at such time prior to the maturity or
4 redemption of the refunded bonds as the authority deems to be in the public interest.
5 The refunding bonds may be issued in sufficient amounts to pay or provide the
6 principal of the bonds being refunded, together with any redemption premium on the
7 bonds, any interest accrued or to accrue to the date of payment of the bonds, the
8 expenses of issue of the refunding bonds, the expenses of redeeming the bonds being
9 refunded, and such reserves for debt service or other capital or current expenses from
10 the proceeds of such refunding bonds as may be required by the resolution, trust
11 indenture, or other security instruments. To the extent applicable, refunding bonds
12 are subject to subs. (7) and (8).

13 **(10) BONDS ELIGIBLE FOR INVESTMENT.** (a) Any of the following may invest funds,
14 including capital in their control or belonging to them, in bonds of the authority:

15 1. Public officers and agencies of the state.

16 2. ~~Political subdivisions.~~

*Local governmental units, as defined
in s. 19.42 (7u).*

17 3. Insurance companies.

18 4. Trust companies.

19 5. Banks.

20 6. Savings banks.

21 7. Savings and loan associations.

22 8. Investment companies.

23 9. Personal representatives.

24 10. Trustees.

25 11. Other fiduciaries not listed in this paragraph.

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local governmental unit, as defined in S. 19.42 (7u),

1 (b) The authority's bonds are securities that may be deposited with and
2 received by any officer or agency of the state or any political subdivision for any
3 purpose for which the deposit of bonds or obligations of the state or any political
4 subdivision is authorized by law. *local governmental unit*

5 (11) BUDGETS; RATES AND CHARGES; AUDIT. The board of directors of an authority
6 shall annually prepare a budget for the authority. Rates and other charges received
7 by the authority shall be used only for the general expenses and capital expenditures
8 of the authority, to pay interest, amortization, and retirement charges on bonds, and
9 for specific purposes of the authority and may not be transferred to any political
10 subdivision. The authority shall maintain an accounting system in accordance with
11 generally accepted accounting principles and shall have its financial statements and
12 debt covenants audited annually by an independent certified public accountant.

13 (12) WITHDRAWAL FROM AUTHORITY. (a) A participating political subdivision may
14 withdraw from an authority if all of the following conditions are met:

15 1. The governing body of the political subdivision adopts a resolution by a
16 majority vote of the members of the governing body requesting withdrawal of the
17 political subdivision from the authority and the resolution is ratified by the electors
18 at a referendum held in the political subdivision following the same procedure
19 specified in sub. (2) (d) 2. except that the referendum question need not include any
20 tax rate.

21 2. The political subdivision has paid, or made provision for the payment of, all
22 obligations of the political subdivision to the authority.

23 3. Any tax authorized under sub. (3) (s) that is levied by the authority within
24 the political subdivision *shall* continue to be levied for the period of time for which the
25 authority has authorized the tax in a resolution imposing the tax under sub. (3) (s)

move to p. 27

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more from p. 26
1 if such a resolution specifies a time period for the tax or until the effective date of a
2 tax repeal resolution under sub. (3) (s), whichever occurs first.

3 (b) If a political subdivision has withdrawn from an authority as provided in
4 par. (a), ^{NE} the political subdivision shall continue to receive transportation services
5 from the authority, in the same manner and to the same extent as those provided
6 prior to the withdrawal, for so long as the tax continues to be levied as provided in
7 par. (a) 3.

8 (c) If a political subdivision has withdrawn from an authority as provided in
9 par. (a), the articles of incorporation of the authority shall be amended to reflect the
10 withdrawal of the political subdivision and this amendment shall be filed and
11 published, in the same manner as a resolution, by the withdrawing political
12 subdivision and each participating political subdivision.

13 ^(c) (d) Withdrawal of a political subdivision from an authority is subject to the
14 resolution provisions specified in sub. (2) (c) 11.

15 **(13) DISSOLUTION OF AUTHORITY.** An authority may be dissolved if the governing
16 bodies of a majority of the participating political subdivisions adopt resolutions, by
17 a majority vote of the members of each governing body, recommending the
18 dissolution of the authority. Dissolution of an authority is subject to the resolution
19 provisions specified in sub. (2) (c) 11. Dissolution of an authority may not occur until
20 all outstanding indebtedness of the authority has been paid and all unexpended
21 funds returned to the participating political subdivisions that supplied them, or until
22 adequate provision has been made for the outstanding indebtedness or unexpended
23 funds. An authority may not be dissolved so long as it has bonds outstanding, unless
24 provision for full payment of such bonds, by escrow or otherwise, has been made
25 pursuant to the terms of the bonds or the resolution, trust indenture, or security

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SECTION 10

1 instrument securing the bonds. The authority shall notify the department of
2 revenue of the authority's dissolution at least 120 days before the dissolution's
3 effective date.

4 **(14)** LIMITATION ON AUTHORITY FUNDING SOURCE. A political subdivision may
5 make an initial contribution of funds to an authority at the time the authority is
6 formed or at the time the political subdivision joins an existing authority. Thereafter,
7 no participating political subdivision may use any locally generated revenue,
8 including property taxes or sales taxes other than those authorized under sub. (2) (c)
9 10., for purposes of funding any transit system, including to transfer additional
10 funds to the authority. This subsection does not apply to any transit or program aids
11 that may be available to a participating political subdivision from the federal
12 government or the department of transportation for transfer to, use by, or the benefit
13 of the authority.

14 **(15)** OTHER STATUTES. Except as provided in sub. (14), this section does not limit
15 the powers of political subdivisions to enter into intergovernmental cooperation or
16 contracts or to establish separate legal entities under s. 66.0301 or 66.1021 or any
17 other applicable law, or otherwise to carry out their powers under applicable
18 statutory provisions. Section 66.0803 (2) does not apply to an authority.

19 **SECTION 11.** 67.01 (5) of the statutes is amended to read:

20 67.01 **(5)** "Municipality" means any of the following which is authorized to levy
21 a tax: a county, city, village, town, school district, board of park commissioners,
22 technical college district, metropolitan sewerage district created under ss. 200.01 to
23 200.15 or 200.21 to 200.65, town sanitary district under subch. IX of ch. 60, transit
24 authority created under s. 66.1039, public inland lake protection and rehabilitation
25 district established under s. 33.23, 33.235, or 33.24, and any other public body

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1 empowered to borrow money and issue obligations to repay the money out of public
2 funds or revenues. "Municipality" does not include the state.

3 **SECTION 12.** 70.11 (2) of the statutes, as affected by 2007 Wisconsin Act 20, is
4 amended to read:

5 70.11 (2) MUNICIPAL PROPERTY AND PROPERTY OF CERTAIN DISTRICTS, EXCEPTION.
6 Property owned by any county, city, village, town, school district, technical college
7 district, public inland lake protection and rehabilitation district, metropolitan
8 sewerage district, municipal water district created under s. 198.22, joint local water
9 authority created under s. 66.0823, transit authority created under s. 66.1039,
10 long-term care district under s. 46.2895 or town sanitary district; lands belonging
11 to cities of any other state used for public parks; land tax-deeded to any county or
12 city before January 2; but any residence located upon property owned by the county
13 for park purposes that is rented out by the county for a nonpark purpose shall not
14 be exempt from taxation. Except as to land acquired under s. 59.84 (2) (d), this
15 exemption shall not apply to land conveyed after August 17, 1961, to any such
16 governmental unit or for its benefit while the grantor or others for his or her benefit
17 are permitted to occupy the land or part thereof in consideration for the conveyance.
18 Leasing the property exempt under this subsection, regardless of the lessee and the
19 use of the leasehold income, does not render that property taxable.

20 **SECTION 13.** 71.26 (1) (b) of the statutes, as affected by 2007 Wisconsin Act 20,
21 is amended to read:

22 71.26 (1) (b) *Political units.* Income received by the United States, the state
23 and all counties, cities, villages, towns, school districts, technical college districts,
24 joint local water authorities created under s. 66.0823, transit authorities created

ASSEMBLY BILL 939**SECTION 13**

1 under s. 66.1039, long-term care districts under s. 46.2895 or other political units
2 of this state.

3 **SECTION 14.** Chapter 77 (title) of the statutes is amended to read:

4 **CHAPTER 77**

5 **TAXATION OF FOREST CROPLANDS;**

6 **REAL ESTATE TRANSFER FEES;**

7 **SALES AND USE TAXES;**

8 **COUNTY, TRANSIT AUTHORITY,**

9 **AND SPECIAL DISTRICT SALES AND**

10 **USE TAXES; MANAGED FOREST LAND;**

11 **RECYCLING SURCHARGE;**

12 **LOCAL FOOD AND BEVERAGE TAX;**

13 **LOCAL RENTAL CAR TAX;**

14 **PREMIER RESORT AREA TAXES;**

15 **STATE RENTAL VEHICLE FEE;**

16 **DRY CLEANING FEES;**

17 **~~REGIONAL~~ TRANSIT AUTHORITY FEE**

18 **SECTION 15.** 77.54 (9a) (er) of the statutes is created to read:

19 77.54 (9a) (er) Any transit authority created under s. 66.1039.

20 **SECTION 16.** Subchapter V (title) of chapter 77 [precedes 77.70] of the statutes
21 is amended to read:

22 **CHAPTER 77**

23 **SUBCHAPTER V**

24 **COUNTY, TRANSIT**

ASSEMBLY BILL 939**AUTHORITY AND SPECIAL DISTRICT****SALES AND USE TAXES**

SECTION 17. 77.708 of the statutes is created to read:

77.708 Adoption by resolution; transit authority. (1) A transit authority created under s. 66.1039, by resolution under s. 66.1039 (3) (s), may impose a sales tax and a use tax under this subchapter at a rate not to exceed 0.5 percent of the gross receipts or sales price or, if lower, not to exceed the maximum rate established by resolution under s. 66.1039 (2) (c) 10. Those taxes may be imposed only in their entirety. The resolution shall be effective on the first day of the first calendar quarter that begins at least 120 days after the adoption of the resolution.

(2) Retailers and the department of revenue may not collect a tax under sub. (1) for any transit authority created under s. 66.1039 after the calendar quarter during which the transit authority adopts a repeal resolution under s. 66.1039 (3) (s) or dissolves as provided under s. 66.1039 (13), except that the department of revenue may collect from retailers taxes that accrued before such calendar quarter and fees, interest, and penalties that relate to those taxes.

SECTION 18. 77.71 (intro.) of the statutes is amended to read:

77.71 Imposition of county, transit authority, and special district sales and use taxes. (intro.) Whenever a county sales and use tax ordinance is adopted under s. 77.70, a transit authority resolution is adopted under s. 77.708, or a special district resolution is adopted under s. 77.705 or 77.706, the following taxes are imposed:

SECTION 19. 77.71 (1) of the statutes is amended to read:

77.71 (1) For the privilege of selling, leasing, or renting tangible personal property and for the privilege of selling, performing, or furnishing services a sales

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1 tax is imposed upon retailers at the rate of 0.5% in the case of a county tax, at the
2 rate under s. 77.708 in the case of a transit authority tax, or at the rate under s.
3 77.705 or 77.706 in the case of a special district tax of the gross receipts from the sale,
4 lease, or rental of tangible personal property, except property taxed under sub. (4),
5 sold, leased, or rented at retail in the county ~~or~~, special district, or transit authority's
6 jurisdictional area, or from selling, performing, or furnishing services described
7 under s. 77.52 (2) in the county ~~or~~, special district, or transit authority's jurisdictional
8 area.

9 **SECTION 20.** 77.71 (2) of the statutes is amended to read:

10 77.71 (2) An excise tax is imposed at the rate of 0.5% in the case of a county tax,
11 at the rate under s. 77.708 in the case of a transit authority tax, or at the rate under
12 s. 77.705 or 77.706 in the case of a special district tax of the sales price upon every
13 person storing, using, or otherwise consuming in the county ~~or~~, special district, or ^{score}
14 transit authority's jurisdictional area tangible personal property or services if the
15 property or service is subject to the state use tax under s. 77.53, except that a receipt
16 indicating that the tax under sub. (1), (3), or (4) has been paid relieves the buyer of
17 liability for the tax under this subsection and except that if the buyer has paid a
18 similar local tax in another state on a purchase of the same property or services that
19 tax shall be credited against the tax under this subsection and except that for motor
20 vehicles that are used for a purpose in addition to retention, demonstration, or
21 display while held for sale in the regular course of business by a dealer the tax under
22 this subsection is imposed not on the sales price but on the amount under s. 77.53
23 (1m).

24 **SECTION 21.** 77.71 (3) of the statutes is amended to read:

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1 77.71 (3) An excise tax is imposed upon a contractor engaged in construction
2 activities within the county ~~or, special district, or transit authority's jurisdictional~~
3 ~~area~~, at the rate of 0.5% in the case of a county tax, at the rate under s. 77.708 in the
4 case of a transit authority tax, or at the rate under s. 77.705 or 77.706 in the case of
5 a special district tax of the sales price of tangible personal property that is used in
6 constructing, altering, repairing, or improving real property and that becomes a
7 component part of real property in that county or special district or in the transit
8 authority's jurisdictional area, except that if the contractor has paid the sales tax of
9 a county ~~in the case of a county tax, transit authority, or of a special district in the~~
10 ~~case of a special district tax~~ in this state on that property, or has paid a similar local
11 sales tax in another state on a purchase of the same property, that tax shall be
12 credited against the tax under this subsection.

13 **SECTION 22.** 77.71 (4) of the statutes, as affected by 2007 Wisconsin Act 11 is
14 amended to read:

15 77.71 (4) An excise tax is imposed at the rate of 0.5 percent in the case of a
16 county tax, at the rate under s. 77.708 in the case of a transit authority tax, or at the
17 rate under s. 77.705 or 77.706 in the case of a special district tax of the sales price
18 upon every person storing, using or otherwise consuming a motor vehicle, boat,
19 snowmobile, recreational vehicle, as defined in s. 340.01 (48r), trailer, semitrailer,
20 all-terrain vehicle or aircraft, if that property must be registered or titled with this
21 state and if that property is to be customarily kept in a county that has in effect an
22 ordinance under s. 77.70, a political subdivision participating in a transit authority
23 that has in effect a resolution under s. 77.708 ~~66.1039 (3)(s)~~, or in a special district that has
24 in effect a resolution under s. 77.705 or 77.706, except that if the buyer has paid a

ASSEMBLY BILL 939

SECTION 22

(1) and (2)

1 similar local sales tax in another state on a purchase of the same property that tax
2 shall be credited against the tax under this subsection. are

3 SECTION 23. 77.73 of the statutes is amended to read:

4 PLAIN 77.73 Jurisdiction to tax. (1) Retailers making deliveries in their
5 company-operated vehicles of tangible personal property, or of property on which
6 taxable services were performed, to purchasers in a county or, special district, or
7 transit authority's jurisdictional area are doing business in that county or, special
8 district, or jurisdictional area, and that county or, special district, or transit
9 authority has jurisdiction to impose the taxes under this subchapter on them.

10 (2) Counties and, special districts, and transit authorities do not have
11 jurisdiction to impose the tax under s. 77.71 (2) in regard to tangible personal
12 property purchased in a sale that is consummated in another county or special
13 district in this state, or in another transit authority's jurisdictional area, that does
14 not have in effect an ordinance or resolution imposing the taxes under this
15 subchapter and later brought by the buyer into the county or, special district, or
16 participating political subdivision of the transit authority that has imposed a tax
17 under s. 77.71 (2). jurisdictional area

18 SECTION 24. 77.76 (1) of the statutes is amended to read:

19 77.76 (1) The department of revenue shall have full power to levy, enforce, and
20 collect county, transit authority, and special district sales and use taxes and may take
21 any action, conduct any proceeding, impose interest and penalties, and in all respects
22 proceed as it is authorized to proceed for the taxes imposed by subch. III. The
23 department of transportation and the department of natural resources may
24 administer the county, transit authority, and special district sales and use taxes in
25 regard to items under s. 77.61 (1).

ASSEMBLY BILL 939

1 **SECTION 25.** 77.76 (2) of the statutes is amended to read:

2 77.76 (2) Judicial and administrative review of departmental determinations
3 shall be as provided in subch. III for state sales and use taxes, and no county, transit
4 authority, or special district may intervene in any matter related to the levy,
5 enforcement, and collection of the taxes under this subchapter.

6 **SECTION 26.** 77.76 (3^r) of the statutes is created to read:

7 77.76 (3^r) From the appropriation under s. 20.835 (4) (gc) the department of
8 revenue shall distribute 98.5 percent of the taxes reported for each transit authority
9 that has imposed taxes under this subchapter, minus the transit authority portion
10 of the retailers' discount, to the transit authority no later than the end of the 3rd
11 month following the end of the calendar quarter in which such amounts were
12 reported. At the time of distribution the department of revenue shall indicate the
13 taxes reported by each taxpayer. In this subsection, the "transit authority portion
14 of the retailers' discount" is the amount determined by multiplying the total
15 retailers' discount by a fraction the numerator of which is the gross transit authority
16 sales and use taxes payable and the denominator of which is the sum of the gross
17 state and transit authority sales and use taxes payable. The transit authority taxes
18 distributed shall be increased or decreased to reflect subsequent refunds, audit
19 adjustments, and all other adjustments of the transit authority taxes previously
20 distributed. Interest paid on refunds of transit authority sales and use taxes shall
21 be paid from the appropriation under s. 20.835 (4) (gc) at the rate paid by this state
22 under s. 77.60 (1) (a). Any transit authority receiving a report under this subsection
23 is subject to the duties of confidentiality to which the department of revenue is
24 subject under s. 77.61 (5). ✓

25 **SECTION 27.** 77.76 (4) of the statutes is amended to read:

SECTION 27

A

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ASSEMBLY BILL 939

1 are subject to the taxes under this subchapter on the effective date of the ordinance
2 or resolution, as provided for the state sales tax under s. 77.54 (18).

3 (3) The sale of building materials to contractors engaged in the business of
4 constructing, altering, repairing or improving real estate for others is not subject to
5 the taxes under this subchapter, and the incremental amount of tax caused by the
6 rate increase applicable to those materials is not due, if the materials are affixed and
7 made a structural part of real estate, and the amount payable to the contractor is
8 fixed without regard to the costs incurred in performing a written contract that was
9 irrevocably entered into prior to the effective date of the county ordinance, special
10 district resolution, transit authority resolution, or rate increase or that resulted from
11 the acceptance of a formal written bid accompanied by a bond or other performance
12 guaranty that was irrevocably submitted before that date.

13 **SECTION 30.** 77.78 of the statutes, as affected by 2007 Wisconsin Act 11, is
14 amended to read:

15 **77.78 Registration.** No motor vehicle, boat, snowmobile, recreational vehicle,
16 as defined in s. 340.01 (48r), trailer, semitrailer, all-terrain vehicle or aircraft that
17 is required to be registered by this state may be registered or titled by this state
18 unless the registrant files a sales and use tax report and pays the county tax, transit
19 authority tax, and special district tax at the time of registering or titling to the state
20 agency that registers or titles the property. That state agency shall transmit those
21 tax revenues to the department of revenue.

22 **SECTION 31.** 345.05 (1) (a) of the statutes is renumbered 345.05 (1) (am).

23 **SECTION 32.** 345.05 (1) (ag) of the statutes is created to read:

24 345.05 (1) (ag) "Authority" means a transit authority created under s. 66.1039.

25 **SECTION 33.** 345.05 (2) of the statutes is amended to read:

Insert
37-21

ASSEMBLY BILL 939**SECTION 33**

1 345.05 (2) A person suffering any damage proximately resulting from the
2 negligent operation of a motor vehicle owned and operated by a municipality or
3 authority, which damage was occasioned by the operation of the motor vehicle in the
4 course of its business, may file a claim for damages against the municipality or
5 authority concerned and the governing body thereof of the municipality, or the board
6 of directors of the authority, may allow, compromise, settle and pay the claim. In this
7 subsection, a motor vehicle is deemed owned and operated by a municipality or
8 authority if the vehicle is either being rented or leased, or is being purchased under
9 a contract whereby the municipality or authority will acquire title.

10 **SECTION 34.** 611.11 (4) (a) of the statutes is amended to read:

11 611.11 (4) (a) In this subsection, "municipality" has the meaning given in s.
12 345.05 (1) (c), but also includes any transit authority created under s. 66.1039.

13 **SECTION 35. Effective dates.** This act takes effect on the day after publication,
14 except as follows:

15 (B) ~~§~~ The repeal and recreation of section 40.02 (28) of the statutes takes effect
16 on January 1, 2010.

17 (END)

Insert
38-14

change to
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paragraph
but use autonumber
for the lettering
not a hard letter

D-Note

2009-2010 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1139/P1ins2

ARG:.....

11/15/09
X-106
"INSERT 2"

1 ~~INSERT TO INSERT 1:~~

2 ~~ADD TO p. 3., line 22 of INSERT 1:~~ (A)

3 (a) The county of Milwaukee, and the cities of Kenosha and Racine, shall jointly
4 create an authority under sub. (2) (a), ^{with the creation to be} ~~and the effective date of the creation shall be~~
5 July 1, 2010. The counties of Kenosha and Racine, and the city of Milwaukee, may
6 also join in the creation of this authority. Notwithstanding sub. (1) (f), if the city of
7 Milwaukee joins in the creation of an authority as provided in this paragraph, the
8 city of Milwaukee shall be considered to be a municipality for purposes of this section.

9 ~~ADD TO p. 4., line 21 of INSERT 1:~~ (B)

10 SECTION 1. 77.9972 (3) of the statutes is amended to read: ✓

11 77.9972 (3) From the appropriation under s. 20.835 (4) (gh), the department
12 of revenue shall distribute 97.45% of the fees collected under this subchapter for each
13 regional transit authority to that authority and shall indicate to the authority the
14 fees reported by each fee payer in the authority's jurisdiction, no later than the end
15 of the month following the end of the calendar quarter in which the amounts were
16 collected. The fees distributed shall be increased or decreased to reflect subsequent
17 refunds, audit adjustments, and all other adjustments. Interest paid on refunds of
18 the fee under this subchapter shall be paid from the appropriation under s. 20.835
19 (4) (gh) at the rate under s. 77.60 (1) (a). Any regional transit authority that receives
20 a report along with a payment under this subsection is subject to the duties of
21 confidentiality to which the department of revenue is subject under s. 77.61 (5).

History: 2005 a. 25; 2007 a. 20.

22 SECTION 2. 77.9973 of the statutes is amended to read: ✓

77.9973 Discontinuation. Retailers and the department of revenue may not collect fees under this subchapter for any regional transit authority after the calendar quarter during which the regional transit authority ceases to exist, except that the department may collect from retailers fees that accrued before that calendar quarter and interest and penalties that relate to those fees. If fees are collected, the authority may use the revenue for any lawful purpose.

History: 2005 a. 25.

~~ADD TO p. 5, line 4 of INSERT 1.~~

SECTION 3. 85.063 (3) (b) 1. of the statutes is amended to read:

85.063 (3) (b) 1. Upon completion of a planning study under sub. (2), or, to the satisfaction of the department, of a study under s. 85.022, a political subdivision in a county which, or a transit authority created under s. 66.1039, that includes the urban area may apply to the department for a grant for property acquisition for an urban rail transit system.

History: 1979 c. 34; 1983 a. 27; 1991 a. 39; 1993 a. 246.

~~INSERT 20-15:~~

INSERT 6-14

SECTION 4. 20.566 (1) (gh) (title) of the statutes is amended to read:

20.566 (1) (gh) (title) *Administration of regional transit authority fees.*

→ note: bud ←

History: 1971 c. 108 ss. 2, 3, 6; 1971 c. 125 ss. 164, 173, 174, 175, 176; 1971 c. 211, 215; 1973 c. 90; 1975 c. 39 ss. 201, 732 (1); 1977 c. 29, 31, 418; 1979 c. 34 ss. 610m to 617, 2102 (46) (c); 1979 c. 63 ss. 3, 6; 1979 c. 177, 221; 1981 c. 20; 1981 c. 86 ss. 7, 71; 1981 c. 328 s. 4; 1983 a. 27 ss. 469 to 477; 1983 a. 368; 1983 a. 410 s. 2202 (38); 1985 a. 29 ss. 536 to 537r, 3202 (39) (a), (46) (c), (i); 1985 a. 41, 120; 1987 a. 27 ss. 444 to 458, 3200 (47); 1987 a. 92; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31, 335; 1991 a. 39, 259, 269; 1993 a. 16, 205, 263, 490; 1995 a. 27 ss. 546h to 546t, 1111mm to 1119r; 1995 a. 56, 227, 351; 1997 a. 27, 35, 41, 63, 148, 237, 252; 1999 a. 5, 9; 1999 a. 150 s. 672; 1999 a. 167; 2001 a. 16; 2001 a. 30 s. 108; 2001 a. 109; 2003 a. 33, 127, 139, 176, 231; 2005 a. 25, 71, 323, 460; 2007 a. 4, 20, 85, 96; s. 13.92 (1) (bm) 2.

INSERT 29-2:

SECTION 5. Subchapter XIII (title) of chapter 77 [precedes] of the statutes is amended to read:

CHAPTER 77

SUBCHAPTER XIII

REGIONAL TRANSIT AUTHORITY FEE

Insert 34-17 JK

Section #. 77.75 of the statutes is amended to read:

transit authority,
77.75 Reports. Every person subject to county or special district sales and use taxes shall, for each reporting period, record that person's sales made in the county ^{or} special district ^{that has imposed those taxes separately from sales made elsewhere in this state and file a report of the measure of the} county or special district sales and use taxes and the tax due thereon separately.

History: 1985 a. 41; 1995 a. 56; 1997 a. 27.

, or jurisdictional area of a
transit authority

end of insert 34-17

**2009-2010 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1139/P1ins
ARG:.....

"INSERT 1"

SA✓
X-106✓

1 **INSERT ANAL-A:**

14. Plan and coordinate transit and commuter rail programs in the RTA's jurisdictional area.

2 **INSERT ANAL-B:**

Under current law, the counties of Kenosha, Racine, and Milwaukee must create a Regional Transit Authority (KRM RTA). The KRM RTA's governing body consists of the following seven members: 1) one member from each county in the three-county region, appointed by the county executive of each county and approved by the county board; 2) one member from the most populous city in each county in the three-county region, appointed by the mayor of each such city and approved by the common council; and 3) one member from the most populous city in the three-county region, appointed by the governor. The KRM RTA is responsible for the coordination of transit and commuter rail programs within these counties but has no authority to manage or operate any transit system. The KRM RTA may receive funding by imposing a rental car transaction fee within these counties, but the fee may be used only to hire staff, conduct studies, and prepare a report to the legislature and the governor, due by November 15, 2008. The report must include certain information, including a recommendation as to whether the responsibilities of the KRM RTA should be limited to collection and distribution of regional transit funding or should also include operation of transit service and a recommendation on whether the KRM RTA should continue in existence after September 30, 2009.

This bill requires the creation of a successor RTA to replace the KRM RTA. The successor RTA must include as participating political subdivisions the cities of Kenosha and Racine and Milwaukee County and must be created effective July 1, 2010. The city of Milwaukee and the counties of Kenosha and Racine may also join in this successor RTA. The successor RTA is formed in the same manner, and has the same authority, as other RTAs, except that the successor RTA retains the rental car transaction fee as an available funding source. *

under the bill

3 **INSERT 6-22:**

4 **SECTION 1.** 20.835 (4) (gh) of the statutes is amended to read:

5 20.835 (4) (gh) *Regional transit Transit authority fees.* All moneys received
6 from the fees imposed under subch. XIII of ch. 77, and from the appropriation account
7 under s. 20.566 (1) (gh), for distribution to the regional transit authority created

under s. ~~59.58 (6)~~ 66.1039 (15), except that 2.55% of the moneys received from the fees imposed under subch. XIII of ch. 77 shall be credited to the appropriation account under s. 20.566 (1) (gh).

note: bud
History: 1971 c. 125 ss. 192 to 195, 521; 1971 c. 215; 1973 c. 90, 158, 333; 1975 c. 39; 1975 c. 372 s. 41; 1975 c. 424; 1977 c. 29, 31, 313, 418, 447; 1979 c. 34 ss. 637m to 643m, 2102 (46) (d); 1979 c. 221; 1979 c. 329 s. 25 (1); 1979 c. 350 s. 27 (1); 1981 c. 1, 20, 93, 317; 1983 a. 2 ss. 1, 12; 1983 a. 27 ss. 489m, 490m, 2202 (45); 1985 a. 29, 41, 205; 1987 a. 27 ss. 473 to 474r, 476; 1987 a. 92; 1987 a. 312 s. 17; 1987 a. 323, 328, 399, 411, 422; 1989 a. 31 ss. 551 to 557m, 564m; 1989 a. 56 s. 259; 1989 a. 336; 1991 a. 37; 1991 a. 39 ss. 250m, 653m to 659m; 1991 a. 225, 269; 1993 a. 16, 263; 1995 a. 27, 56, 209, 417; 1997 a. 27, 237; 1999 a. 5, 9, 10; 1999 a. 150 s. 672; 1999 a. 167; 2001 a. 16, 105, 109; 2003 a. 31, 33, 320; 2005 a. 25, 361, 405, 483; 2007 a. 20, 96, 97, 226.

INSERT 9-10:

SECTION 2. 59.58 (6) (title) *and (b)* of the statutes are repealed. ✓

SECTION 3. 59.58 (6) (b) (intro.) of the statutes is renumbered 66.1039 (15) (a) and amended to read:

jointly
66.1039 (15) (a) The ~~counties of Kenosha, county of Milwaukee, and the cities of Kenosha and Racine,~~ shall together create a regional transit an authority. ✓ The governing body of the authority shall consist of the following members: under sub. (2) (a). The counties of Kenosha and Racine, and the city of Milwaukee, may also join in the creation of this authority. *per* Notwithstanding sub. (1) (f), if the city of Milwaukee joins in the creation of an authority as provided in this paragraph, the city of Milwaukee shall be considered to be a municipality for purposes of this section.

History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20.

SECTION 4. 59.58 (6) (b) 1., 2., *and* 3. and (bm) of the statutes are repealed.

SECTION 5. 59.58 (6) (c) of the statutes is renumbered 66.1039 (3) (t) and amended to read:

66.1039 (3) (t) ~~Notwithstanding s. 59.84 (2), the authority shall be responsible for the coordination of Plan and coordinate transit and commuter rail programs in the region authority's jurisdictional area.~~

History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20.

SECTION 6. 59.58 (6) (cg) 1. of the statutes is renumbered 66.1039 (15) (b) and

amended to read:

STET: leave as typed

66.1039 (15) (b) The In addition to any other funding authorized under this section, an authority created under this subsection may impose the fees under subch. XIII of ch. 77.

History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20.

SECTION 7. 59.58 (6) (cg) 2. and 3. and (cr) of the statutes are repealed.

SECTION 8. 59.58 (6) (d) of the statutes is renumbered 66.1039 (15) (c) 1. and amended to read:

66.1039 (15) (c) 1. The department of transportation or its designee, ^{or} the southeastern Wisconsin Regional Planning Commission, ^{or} any designee of the governing body board of directors of the authority may provide administrative support services to assist the an authority created under this subsection in fulfilling its duties.

History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20.

SECTION 9. 59.58 (6) (dm) of the statutes is renumbered 66.1039 (15) (c) 2. and amended to read:

66.1039 (15) (c) 2. Any recipient of state funding for the planning or engineering of a commuter rail project in the region jurisdictional area of an authority created under this subsection shall periodically report to the authority's governing body board of directors, officers, or staff.

History: 1995 a. 201 ss. 197, 231, 386, 388, 465, 466 to 474; 1997 a. 27, 35; 1999 a. 150 s. 672; 2005 a. 25; 2007 a. 20.

SECTION 10. 59.58 (6) (e) of the statutes is repealed.

INSERT 28-18:

SECTION 11. 66.1039 (15) (title) ^{and (a)} of the statutes ^{are} is created to read:

66.1039 (15) (title) SOUTHEAST WISCONSIN TRANSIT AUTHORITY.

SECTION 12. 66.1039 (15) (d) of the statutes is created to read:

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from insert 2

1 66.1039 (15) (d) The participating political subdivisions creating an authority
2 as required under this subsection shall consider, in creating this authority, any
3 recommendation, plan, or proposal included in the report specified in s. 59.58 (6) (e),
4 2007 stats.

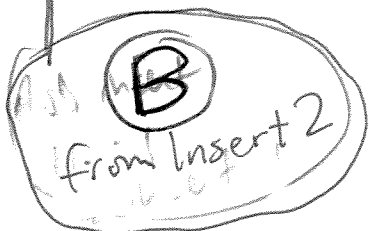
5
6 **INSERT 37-21:**

7 **SECTION 13.** 77.9971 of the statutes is amended to read:

8 **77.9971 Imposition.** A regional transit authority created under s. 59.58 (6)
9 66.1039 (15) may impose a fee at a rate not to exceed \$2 for each transaction in the
10 region, ~~as defined in s. 59.58 (6) (a) 2.,~~ authority's jurisdictional area, as defined in
11 s. 66.1039 (1) (e), on the rental, but not for rental and not for rental as a service or
12 repair replacement vehicle, of Type 1 automobiles, as defined in s. 340.01 (4) (a), by
13 establishments primarily engaged in short-term rental of passenger cars without
14 drivers, for a period of 30 days or less, unless the sale is exempt from the sales tax
15 under s. 77.54 (1), (4), (7) (a), (7m), (9), or (9a). The fee imposed under this subchapter
16 shall be effective on the first day of the first month that begins at least 90 days after
17 the ~~governing body~~ board of directors of the ~~regional~~ transit authority approves the
18 imposition of the fee and notifies the department of revenue. The ~~governing body~~
19 board of directors shall notify the department of a repeal of the fee imposed under
20 this subchapter at least 60 days before the effective date of the repeal.

History: 2005 a. 25.

21
22 **SECTION 14.** 85.022 (3) of the statutes is amended to read:



1 85.022 (3) A recipient of funding under this section shall make the results of
2 its study available to any interested city, village, town or county and shall comply
3 with the requirements of s. ~~59.58 (6) (dm)~~ 66.1039 (15) (c) 2., if applicable.

History: 1989 a. 31; 1991 a. 39; 1993 a. 16, 246; 1995 a. 113; 2005 a. 25.

4
5 **SECTION 15.** 85.064 (1) (b) of the statutes is amended to read:

6 85.064 (1) (b) "Political subdivision" means any city, village, town, county,
7 transit commission organized under s. 59.58 (2) or 66.1021 or recognized under s.
8 66.0301, or ~~regional~~ transit authority organized under s. ~~59.58 (6)~~ 66.1039 within
9 this state.

History: 2003 a. 33; 2005 a. 25.

10 **SECTION 16.** 85.064 (4) of the statutes is amended to read:

11 85.064 (4) Any recipient of a grant under this section shall comply with the
12 requirements of s. ~~59.58 (6) (dm)~~ 66.1039 (15) (c) 2., if applicable.

History: 2003 a. 33; 2005 a. 25.

13
14 **INSERT 38-14:**

15 **SECTION 9150. Nonstatutory provisions; Transportation.**

16 (1) TRANSIT AUTHORITIES.

17 (a) *Creation of new transit authority in southeast Wisconsin.* The county of
18 Milwaukee, and the cities of Kenosha and Racine, shall together create a transit
19 authority under section 66.1039 of the statutes, as created by this act, with the
20 creation to be effective on July 1, 2010. The counties of Kenosha and Racine, and the
21 city of Milwaukee, may also join in the creation of this authority. Notwithstanding
22 section 66.1039 (1) (f) of the statutes, as created by this act, if the city of Milwaukee
23 joins in the creation of an authority as provided in this paragraph, the city of

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1 Milwaukee shall be considered to be a municipality for purposes of section 66.1039
2 of the statutes, as created by this act.

3 → (a) ~~(b)~~ *Winding down of prior Kenosha-Racine-Milwaukee regional transit*
4 *authority.* The regional transit authority under (s. 59.58 (6), 2007 stats., shall
5 terminate on July 1, 2010. Notwithstanding any provision of (s. 59.58 (6), 2007 stats.,
6 after the effective date of this paragraph, the duties of the regional transit authority
7 under (s. 59.58 (6), 2007 stats., shall be limited to winding down and dissolving that
8 regional transit authority. The transit authority created under paragraph (a) shall
9 be considered the successor to the regional transit authority under (s. 59.58 (6), 2007
10 stats.

11 → (b) ~~(c)~~ *Transition assistance.* The counties of Kenosha, Racine, and Milwaukee,
12 and all members of the governing body of the regional transit authority under (s.
13 59.58 (6), 2007 stats., shall assist in good faith in the transition from the regional
14 transit authority under (s. 59.58 (6), 2007 stats., to the transit authority created
15 under paragraph (a). To the extent reasonably possible, the transit authority created
16 under paragraph (a) shall continue the employment of all staff hired by the regional
17 transit authority under (s. 59.58 (6), 2007 stats.

18 → (c) ~~(d)~~ *Assets and liabilities.* On the effective date of this paragraph, the assets and
19 liabilities of the regional transit authority under (s. 59.58 (6), 2007 stats., including
20 any accumulated moneys received from the fees imposed under subch. XIII of ch. 77,
21 shall become the assets and liabilities of the transit authority created under
22 paragraph (a) ~~this act.~~

23 → (d) ~~(e)~~ *Tangible personal property.* On the effective date of this paragraph, all
24 tangible personal property, including records, of the regional transit authority under

use
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section

section

section 66.1039(15)(a) of the
statutes, as created by this
act

section

section 66.1039 (15)(a) of the statutes,
as created by this act -

LRB-1139/P1ins
ARG:.....

section

- 1 s. 59.58 (6), 2007 stats., is transferred to the transit authority created under
2 paragraph (a).
3 (e) (f) Contracts. All contracts entered into by the regional transit authority under
4 s. 59.58 (6), 2007 stats., in effect on the effective date of this paragraph remain in
5 effect and are transferred to the transit authority created under paragraph (a). The
6 transit authority created under paragraph (a) shall carry out any obligations under
7 such a contract until the contract is modified or rescinded by the transit authority
8 created under paragraph (a) to the extent allowed under the contract.

use
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SECTION 9450. Effective dates; Transportation.

(1) TRANSIT AUTHORITIES.

(a) The treatment of sections 20.835 (4) (gh), 59.58 (6) (title), (a), (b) (intro.), 1.,
2., 3., (bm), (c), (cg) 1., 2., and 3., (cr), (d), (dm), and (e), 66.1039 (15) (title) and (d),
77.9971, 85.022 (3), and 85.064 (1) (b) and (4) of the statutes and SECTION 9150 (1)
(d), (e), and (f) of this act take effect on July 1, 2010.

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a.r.

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after
subch. XIII (title) of ch. 77

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1139/P1dn

ARG:.....

gs

ATTN: Tyler Byrnes

Please review the attached draft carefully to ensure that it is consistent with your intent.

The attached draft uses as a base document 2007 AB-939, the same bill that was the base for the Legislative Council study committee draft. I have made numerous modifications to 2007 AB-939 to conform to your drafting instructions. Please advise if any of the provisions of this draft are not consistent with your intent.

As discussed by telephone, the "regional transit authority" under s. 59.58 (6) (often referred to as the KRM RTA) is essentially a study committee, with a primary function of preparing a report for the governor and the legislature. The KRM RTA has no operational authority and is entirely dissimilar to the transit authorities authorized under created s. 66.1039 of the attached draft. Regarding the drafting instructions to make the KRM RTA permanent, I have proceeded as we discussed by telephone, incorporating provisions into the draft to facilitate the transition of the KRM RTA into the type of RTA authorized under s. 66.1039. *

The reason the draft treats Milwaukee County uniquely is that Milwaukee County is unique in operating a countywide transit system. Typically the municipalities within a county, not the county, operate transit systems.

Please let me know if you would like any changes made to the attached draft or if you have any questions.

Aaron R. Gary
Legislative Attorney
Phone: (608) 261-6926
E-mail: aaron.gary@legis.wisconsin.gov

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1139/P1dn
ARG:cjs:rs

January 9, 2009

ATTN: Tyler Byrnes

Please review the attached draft carefully to ensure that it is consistent with your intent.

The attached draft uses as a base document 2007 AB-939, the same bill that was the base for the Legislative Council study committee draft. I have made numerous modifications to 2007 AB-939 to conform to your drafting instructions. Please advise if any of the provisions of this draft are not consistent with your intent.

As discussed by telephone, the "regional transit authority" under s. 59.58 (6) (often referred to as the KRM RTA) is essentially a study committee, with a primary function of preparing a report for the governor and the legislature. The KRM RTA has no operational authority and is entirely dissimilar to the transit authorities authorized under created s. 66.1039 of the attached draft. Regarding the drafting instructions to make the KRM RTA permanent, I have proceeded as we discussed by telephone, incorporating provisions into the draft to facilitate the transition of the KRM RTA into the type of RTA authorized under s. 66.1039.

The reason the draft treats Milwaukee County uniquely is that Milwaukee County is unique in operating a countywide transit system. Typically the municipalities within a county, not the county, operate transit systems.

Please let me know if you would like any changes made to the attached draft or if you have any questions.

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